



Retirement 101

Understanding your retirement benefits is an important step in your journey towards retirement. Attending a Department of Retirement Systems seminar will provide you with helpful information as you move forward.

Review the basic concepts below to help make the most of your seminar experience.

Knowing your system is the first step – Systems and plans covered at DRS seminars are:

PERS	Public Employees Retirement System	Plans 1, 2 & 3
PSERS	Public Safety Employees' Retirement System	Plan 2
SERS	School Employees' Retirement System	Plans 2 & 3
TRS	Teachers' Retirement System	Plans 1, 2 & 3
LEOFF	Law Enforcement Officers' and Fire Fighters'	Plan 2 only
WSPRS	Washington State Patrol Retirement System	Plan 2 only

BENEFIT CALCULATION

Your Defined Benefit plan provides you with a guaranteed lifetime monthly retirement benefit payment and options for a continuing lifetime monthly survivor benefit. The formula used to calculate a Defined Benefit is:

$$(1\% \text{ or } 2\%) \times \text{Service Credit} \times (\text{AFC or FAS or AFS})$$

- 1% or 2%: Your formula is calculated with a 1% factor if you belong to Plan 3. Use the 2% factor if you belong to either Plan 1 or Plan 2.
- Service Credit is used to determine your retirement eligibility and to calculate your benefit. It is based on the number of compensated hours reported by your employer to DRS. Before attending the seminar, it's helpful to know how many service credits you've earned.
- AFC or FAS or AFS: The average of your highest reported gross compensation over consecutive service credit months. Average Final Compensation (AFC) applies to PERS, PSERS, SERS and TRS. Final Average Salary (FAS) applies to LEOFF. Average Final Salary (AFS) applies to WSPRS.

Before you attend a seminar, we recommend you...

Visit the DRS website at drs.wa.gov	Ask Your Employer
To learn more about the terms listed above.	Will I have access to VEBA at retirement?
To learn how many service credits you have earned.	Does my employer offer retiree health insurance?
To estimate your defined benefit using the online estimators.	Does my employer participate in Washington State's Deferred Compensation Program?